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**UNITED STATES BANKRUPTCY COURT
DISTRICT OF ARIZONA**

In re:)	Case No. 2:05-bk-14971-RJH
)	
MICHAEL THOMAS HERZOG,)	Chapter 13 Proceedings
)	
Debtor.)	DEBTOR'S CHAPTER 13 PLAN
)	AND APPLICATION FOR PAYMENT
)	OF ADMINISTRATIVE EXPENSE
)	

Debtor proposes the following Chapter 13 Plan:

- 1) Income submitted to the Plan: Debtor shall convey to the Chapter 13 Trustee payments in the amount of \$1,591.00 per month, pursuant to the following schedule:

Debtor's first payment shall be due in the Trustee's office on or before the 16th day of each month, beginning September, 2005 and on the same day of each subsequent month for the duration of the Plan.

- 2) Duration: The Plan shall continue for 50 months from the first payment. If, at any time before the end of this period all allowed claims are paid, the Plan shall terminate and the Debtor shall be granted a discharge.
- 3) Debtor is instructed to remit all payments on or before the due date each month. Debtor is advised that, when payments are remitted late, additional interest may accrue on secured claims (if any), which may result in a funding shortfall at the end of the Plan term. Any funding shortfall must be cured before the Plan can be discharged.
- 4) Classification and Treatment of Claims: Upon confirmation, the Chapter 13 Trustee shall begin disbursements of accrued Plan payments based upon the classification of claims as follows:

A. Administrative Expenses:

1. Trustee's Fees & Costs: The Chapter 13 Trustee shall receive a maximum of 10% of each payment disbursed, subject to the rate set by the United States Trustee.
2. Debtor's Attorney's Fees: Debtor's attorney, Wade F. Waldrip, shall be paid minimum attorney's fees in the amount of \$3,000.00. Should fees exceed this amount, counsel will submit a separate application, requesting payment for additional fees. Counsel's fee represents compensation for, *inter alia*, consultations with the Debtor; analysis of Debtor's financial circumstances, computation and preparation of the Debtor's Plan and associated documents; review of Proofs of Claim, and attendance at all required hearings.

B. Priority Claims:	<u>Tax Year</u>	<u>IRS</u>	<u>ADOR</u>
	2002	\$15,890.00	\$1,472.00
	2003	\$14,389.00	\$2,222.00
	2004	<u>\$17,871.00</u>	<u>\$3,631.00</u>
		\$48,150.00	\$7,325.00

- C. Claims Secured by Personal Property: The following creditor(s) shall be paid as secured in the amount(s) indicated. The balance of secured claim(s), if any, shall be classified and paid as general unsecured claims, with no interest. The secured portion of claims, exclusively, shall be paid interest at the rate of 6% per annum.

Claims paid as secured shall be paid prior to commencement of payments on priority or general unsecured claims.

<u>Creditor/ Security</u>	<u>Loan Balance/ Value of Security</u>	<u>Paid as Secured/ Paid as Unsecured</u>
WFS/ 1997 Lexus SC300 Coupe	\$16,500.00/ \$10,135.00	\$10,135.00/ \$ 6,365.00

A SECURED CREDITOR SHALL BE PROVIDED FOR AS STATED IN THIS PLAN, REGARDLESS OF THE SECURED AMOUNT STATED IN A PROOF OF CLAIM. IF A SECURED CREDITOR DOES NOT FILE AN OBJECTION TO CONFIRMATION OF THE PLAN, IT IS DEEMED TO HAVE ACCEPTED TREATMENT OF ITS CLAIM UNDER THE PLAN. 11 U.S.C. Section 1325(a)(5)(A).

- D. Executory Contracts/Leases: None.

- E. Unsecured Claims: Unsecured Claims shall be paid zero through Debtor's Plan. All claims not otherwise classified under terms of this Plan shall be classified and paid as general unsecured. Any and all unsecured claims, or portions thereof, unpaid at the conclusion of Debtor's Plan shall be discharged.

- F. Proofs of Claim: If a creditor fails to file a secured Proof of Claim prior to confirmation, or files a wholly unsecured Proof of Claim, the Debtors may delete the proposed payment of a secured claim in a proposed Order Confirming Plan with no additional notice. If a creditor files a secured claim in an amount less than that proposed in the Plan, the secured claim amount will be the amount paid.
- G. Effective Date & Vesting: The effective date of the Plan shall be the date of the Order Confirming the Plan.

Dated: August 30, 2005

/S/ Wade F. Waldrip
Attorney for the Debtor

/S/ Michael Thomas Herzog
Michael Thomas Herzog, Debtor

CHAPTER 13 PLAN ANALYSIS AND CHAPTER 7 RECONCILIATION

Chapter 13 Plan Analysis

a. Total Priority Claims.....	\$55,475.00
b. Estimated Administrative Expenses	\$7,161.00
c. Estimated Interest on Secured Claims	\$3,000.00
d. Total Payments on Secured Claims	\$10,135.00
e. Attorney's Fees.....	\$3,000.00
f. Unsecured Non-Priority Claims.....	\$0.00
g. Total Debt and Administrative Expenses	\$78,771.00

Chapter 7 Reconciliation

1. Interest of General Unsecured Creditors if Chapter 7 filed:

a. Debtor's interest in nonexempt property:.....	\$22,960.00
b. Value of property recoverable via avoiding pwrs:.....	\$0.00
c. Estimated Ch. 7 administrative expenses:.....	\$ 1,500.00
d. Amts. payable to priority creditors (other than administrative expense:	\$55,475.00
e. Est. amt. payable to unsecured creditors if Ch 7 filed:	\$0.00
f. Est. div for unsecured creditors if Ch 7 filed:	\$0.00
g. Est. dividend in Debtor's Ch. 13 Plan:	\$0.00 (<i>pro-rata</i>)